



Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations

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Summary

The Military Construction, Veterans Affairs, and Related Agencies appropriations bill provides funding for the planning, design, construction, alteration, and improvement of facilities used by active and reserve military components worldwide. It capitalizes military family housing and the U.S. share of the NATO Security Investment Program, and finances the implementation of installation closures and realignments. It underwrites veterans benefit and health care programs administered by the Department of Veterans Affairs, provides for the creation and maintenance of U.S. cemeteries and battlefield monuments within the United States and abroad, and supports the U.S. Court of Appeals for Veterans Claims and Armed Forces Retirement Homes. The bill also funds construction supporting Overseas Military Operations, a function previously carried out through emergency supplemental appropriations, and advance appropriations for veterans medical services.

Rather than submit a complete appropriations request for FY2010 only five weeks after taking office, President Barack Obama published a budget overview, *A New Era of Responsibility: Renewing America's Promise*, on February 26, 2009. The President submitted his regular FY2010 appropriations request to Congress on May 7, 2009, including \$133.5 billion for programs covered in the regular Military Construction, Veterans Affairs, and Related Agencies appropriations bill: \$24.4 billion for Title I (military construction and family housing); \$108.9 billion for Title II (veterans affairs); and \$275.7 million for Title III (related agencies). Compared with funding appropriated for FY2009, this represented decreases for Title I of \$3.7 billion (13.4%), and increases for Title II of \$12.9 billion (13.5%) and for Title III of \$69.0 million (33.3%). The overall increase in appropriations between that requested for FY2010 and enacted for FY2009 is \$9.2 billion (7.4%).

Military construction is experiencing an overall decrease in spending as the annual appropriation required to implement the 2005 Defense Base Closure and Realignment round begins to drop off. Also, appropriations dedicated to the construction and operation of military family housing are decreasing as its privatization program expands.

In the area of veterans' non-medical benefits, mandatory spending is increasing as claims for disability compensation, pension, and readjustment benefits increase due to a combination of several factors including the aging of the veterans' population and the current conflicts in Iraq and Afghanistan. As a result, the average number of days for completing a pension or compensation claim in FY2008 was 179 days. To reduce the pending claims workload and improve processing time, funds have been provided in previous appropriation bills for hiring and training additional claims processing staff.

The House version of the Military Construction, Veterans Affairs, and Related Agencies Act for 2010 (H.R. 3082) was passed by the House on July 10, 2009, and sent to the Senate. The Senate version (S. 1407) was introduced on July 7. Both have been placed on the Senate's legislative calendar.

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Status of Legislation

Table 1. Status of FY2010 Military Construction, Veterans Affairs, and Related Agencies Appropriations Act

(H.R. 3082, S. 1407)

Committee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
06/23/09	—	111-188	07/10/09	111-40	—	—	—	—	—

Source: CRS Legislative Information Service (LIS).

Table 2. Status of FY2010 National Defense Authorization Act

(H.R. 2647, S. 1390)

Committee Markup		House Report	House Passage	Senate Report	Senate Passage	Conf. Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
06/16/09	07/02/09	111-166	06/25/09	111-35	07/23/09	10/07/09	10/08/09	10/22/09	P.L. 111-84

Source: CRS Legislative Information Service (LIS).

Appropriation

President Barack Obama did not submit a detailed appropriations request during the first weeks of his administration. Instead, he forwarded the outline of a budget request, stating

In the little more than a month my Administration has had in office, we have not had the time to fully execute all the budget reforms that are needed, and to which I am fully committed. Those will come in the months ahead, and next year's budget process will look much different.¹

Detailed information on the FY2010 Department of Defense (DOD) request was released on May 7, 2009.

Representative Chet Edwards (TX/17), chair of the House Committee on Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, reported an original measure, H.R. 3082 (H.Rept. 111-188), to the House on June 26, 2009. The bill was placed on the Union Calendar (Calendar No. 101). The House Committee on Rules reported H.Res. 622, for consideration of H.R. 3082, on July 9, allowing one hour of general debate. The rule was passed on July 10, and the bill was brought to the floor for consideration (*Congressional*

¹ President Barack Obama, *A New Era of Responsibility: Renewing America's Promise*, Office of Management and Budget, Washington, DC, February 6, 2009, p. 3, <http://www.whitehouse.gov/omb/budget/Overview/>.

Record p. H7976-7983). Following floor debate (CR p. H7983-7991), the measure passed on the Yeas and Nays: 415-3 (Roll No. 529).

Senator Tim Johnson (South Dakota), chair of the Senate Committee on Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, introduced an original measure, S. 1407 (S.Rept. 111-40), to the Senate on July 7, 2009, where it was placed on the Senate Legislative Calendar under General Orders (Calendar No 100).

H.R. 3082 was received in the Senate on July 13, 2009, where it was placed on the Senate Legislative Calendar under General Orders (Calendar No. 16).

Detailed, appropriations account-level data on the appropriations bills, including enacted amounts for prior years, are displayed in **Table 4** (Department of Veterans Affairs), **Table 6** (Related Agencies), and **Table A-1** (Military Construction and Family Housing).²

National Defense Authorization

Representative Ike Skelton (MO/04) introduced H.R. 2647, the National Defense Authorization Act for 2010, on June 2, 2009, when it was referred to the House Committee on Armed Services (HASC). The committee reported the bill (H.Rept. 111-166) on June 16. The House began consideration on June 24 and passed it on June 25, 2009. The bill was received in the Senate on July 6 and placed on the Legislative Calendar (No. 96).

The Senate's version of the bill, S. 1390, was introduced to that chamber by the chair of the Senate Committee on Armed Services (SASC), Senator Carl Levin (MI), as an original measure on July 2, 2009. The Senate began consideration of the bill on July 14. Senator Harry Reid (NV), the Majority Leader, introduced a cloture motion on July 22 and passed it, as amended, on July 23, 2009, by Yea-Nay vote (87-7, Record Vote No. 242).

On July 23, the Senate took up consideration of H.R. 2647, struck all after its Enabling Clause, and substituted the debate-amended language of S. 1390. The Senate then passed the amended H.R. 2647 by Unanimous Consent, insisted on its amendment, and requested a conference.

The House took up the amended bill on October 6, 2009, when Representative Skelton moved that the chamber disagree to the amendment and agree to a conference. The motion carried by voice vote. Representative J. Randy Forbes moved that the conferees be instructed on a provision regarding the Matthew Shephard Hate Crimes Prevention Act. After one hour of debate, the motion failed by the Yeas and Nays, 178-234 (Roll No. 754).

Conferees filed the conference report (H.Rept. 111-288) in the House on October 7.³ Representative Skelton brought up the report for floor consideration on October 8. After one hour of debate, Representative Buck McKeon moved that report be recommitted with instructions to the conference committee. The motion was defeated by the Yeas and Nays (208-216, Roll No. 769). The House agreed to the conference report by a recorded vote of 281-146 (Roll No. 770).

² An overview of the status of all FY2010 appropriations bills is available through the CRS website at <http://www.crs.gov/products/appropriations/appover.shtml>.

³ Filing conference report, *Congressional Record*, October 7, 2009, pp. H10565-H11052.

The Senate took up the conference report on October 20. A cloture motion was filed the same day. Cloture on the conference report was invoked by the Senate on October 22 by a Yea-Nay vote of 64-35 (Record Vote No. 326). The chamber agreed to the conference report by Yea-Nay vote (68-29) on the same day (Record Vote No. 327).

Congress cleared the bill for the White House on October 22, 2009. It was presented to the President on October 26 and signed by him on October 28, becoming P.L. 111-84.

Table 1 and **Table 2** track the progress of the appropriations and authorization acts, respectively.

Title I: Department of Defense

Military Construction

Military Construction accounts provide funds for new construction, construction improvements, planning and design, and host nation support of active and reserve military forces and DOD agencies. The *North Atlantic Treaty Organization Security Investment Program* (NSIP) is the U.S. contribution to defray the costs of construction (airfields, fuel pipelines, military headquarters, etc.) needed to support major NATO commands. *Family housing* accounts fund new construction, construction improvements, federal government costs for family housing privatization, maintenance and repair, furnishings, management, services, utilities, and other expenses incurred in providing suitable accommodation for military personnel and their families where needed.

The *DOD Housing Improvement Fund* is the vehicle by which funds, both directly appropriated and transferred from other accounts, support military housing privatization. The *Homeowners Assistance Fund* aids federal personnel stationed at or near an installation scheduled for closure or realignment who are unable to sell their homes by allowing the Secretary of Defense to subsidize the sale or to purchase homes outright.⁴ The *Chemical Demilitarization Construction, Defense-Wide*, account provides for the design and construction of disposal facilities required for the destruction of chemical weapons stockpiles. The *Base Realignment and Closure Account 1990* funds the remaining environmental remediation requirements (including the disposal of unexploded ordnance) arising from the first four base realignment and closure (BRAC) rounds (1988, 1991, 1993, and 1995). The *Base Realignment and Closure Account 2005* provides funding for the military construction, relocation, and environmental requirements of the implementation of both the 2005 BRAC round and the DOD Integrated Global Presence and Basing Strategy/Global Defense Posture Realignment (military construction only).

Funding of the various accounts included under Title I (Department of Defense) is listed in **Appendix A** to this report.

⁴ The ARRA for 2009 permanently expanded eligibility for the Homeowner Assistance Program to some classes of wounded and injured DOD and Coast Guard personnel and surviving spouses and temporarily authorized eligibility to some other federal personnel. A discussion of this expansion can be found in CRS Report RL34558, *Military Construction, Veterans Affairs, and Related Agencies: FY2009 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

Key Budget Issues

Planning Future Construction

Congressional committees with jurisdiction over military construction appropriations and appropriation authorizations require the Secretary of Defense to justify in detail the construction projects requested for the upcoming fiscal year. In addition, in order to anticipate upcoming construction requirements, Congress requires the Secretary to regularly project its future budget plans and to review its national defense strategy. These exercises are referred to as the Future Years Defense Plan (FYDP) and the Quadrennial Defense Review (QDR).

Uncertainty in Future Years Defense Plan (FYDP)

Section 221 of Title 10 of the United States Code (10 U.S.C. 221) requires the Secretary of Defense to submit a Future Years Defense Plan in conjunction with the President's annual appropriations request. A FYDP projects the Secretary's anticipated appropriations requirements, including military construction-related accounts, over the next five or six years and is used by the defense committees to exercise oversight by tracking changes in DOD plans.

Rather than submit a complete appropriations request for FY2010 only five weeks after taking office, President Barack Obama published a budget overview, *A New Era of Responsibility: Renewing America's Promise*, on February 26, 2009. Detailed information on the FY2010 DOD request was released on May 7. In the accompanying documentation, Secretary of Defense Robert Gates did not project the Department's requirements into the future, citing the ongoing Quadrennial Defense Review (QDR, see next section) and the uncertainty of its potential impact on future military construction.

All four congressional defense committees noted the Secretary's failure to provide this information. The HAC declared its expectation for the Department "to promptly inform the Committee when decisions on future plans are finalized."⁵ Their Senate counterparts (SAC) noted that the "Department's decision to not provide [FYDP] data with the fiscal year 2010 budget has ... complicated the Committee's efforts to ascertain the scope and timetable of large-scale initiatives."⁶

The House Committee on Armed Services (HASC) observed, "The inability of the Department to produce this critical document for consideration in this Act leads to a degradation of the quality of the military construction program. The committee encourages the Department to submit these documents ... in concert with other budget documents, for consideration in the annual budget request."⁷ Finally, the SASC, in its discussion of the anticipated move of more than 7,000

⁵ U.S. Congress, House Committee on Appropriations, Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, *Military Construction, Veterans Affairs, and Related Agencies Appropriations Bill, 2010*, report to accompany H.R. 3082, 111th Cong., 1st sess., June 26, 2009, H.Rept. 111-188, p. 17.

⁶ U.S. Congress, Senate Committee on Appropriations, Subcommittee on Military Construction and Veterans Affairs, and Related Agencies, *Military Construction and Veterans Affairs, and Related Agencies Appropriation Bill*, report to accompany S. 1407, 111th Cong., 1st sess., July 7, 2009, S.Rept. 111-40, p. 10.

⁷ U.S. Congress, House Committee on Appropriations, Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, *National Defense Authorization Act for Fiscal Year 2010*, report on H.R. 2647, 111th Cong., 1st sess., June 18, 2009, H.Rept. 111-166, p. 541.

Marines from the Japanese Prefecture of Okinawa to the U.S. Territory of Guam, also noted that the budget submission did not include a FYDP and pointed out that a “FYDP would go a long way toward illustrating to the committee that the total U.S. investment required for the [relocation] initiative can be supported in future budget requests.”⁸

Quadrennial Defense Review (QDR)

Since the dissolution of the Soviet Union, Congress has required DOD to periodically reassess its strategic objectives and potential military threats to national defense. The Department is currently undertaking its fourth such exercise, the 2010 QDR. As stated above, the Secretary of Defense deferred submission of detailed budget documentation this year, explaining that his planning could not proceed while a QDR was ongoing. Section 1002 of the enacted National Defense Authorization Act for FY2010 (H.R. 2647, P.L. 111-84) amended 10 U.S.C. 118 by adding a new subsection (h), clarifying that the development of the QDR should not interfere with or delay delivery of budget materials and congressional reporting requirements tied to Section 1105(a) of Title 31, United States Code, the requirement for timely budget submission.

The QDR may affect a number of decisions that will impact future military construction programs. Three important initiatives whose future have become clouded awaiting the review’s findings are Army modularization, the redeployment of forces from Germany to the United States, and the stationing of new troops as the Army’s end strength grows.

On April 6, 2009, the Secretary of Defense announced that he would cap the number of Army Modular Brigade Combat Teams (BCTs) at 45, three below the 48 BCTs envisioned in his December 2007 *Grow the Army* plan. The three installations where new brigades will not be created include Fort Carson, CO, Fort Stewart, GA, and Fort Bliss, TX.⁹ The SAC observed that \$2.10 billion had been appropriated in 2009 for the military construction and family housing intended to support these three BCTs. The SASC noted that the decision not to activate the three BCTs would logically reduce the requirement for new military construction at the three sites.¹⁰

The redeployment of existing BCTs from German garrisons to installations in the United States and of 7th Army Headquarters to a new Command and Battle Facility at Wiesbaden, Germany, have been delayed until completion of the QDR and a reevaluation of overseas deployment requirements.

⁸ S.Rept. 111-40, p. 220.

⁹ H.Rept. 111-166, p. 21-2; S.Rept. 111-40, p. 14.

¹⁰ U.S. Congress, Senate Committee on Armed Services, *National Defense Authorization Act for Fiscal Year 2010*, report to accompany S. 1390, 111th Cong., 1st sess., July 2, 2009, S.Rept. 111-35, p. 213.

Base Realignment and Closure (BRAC)

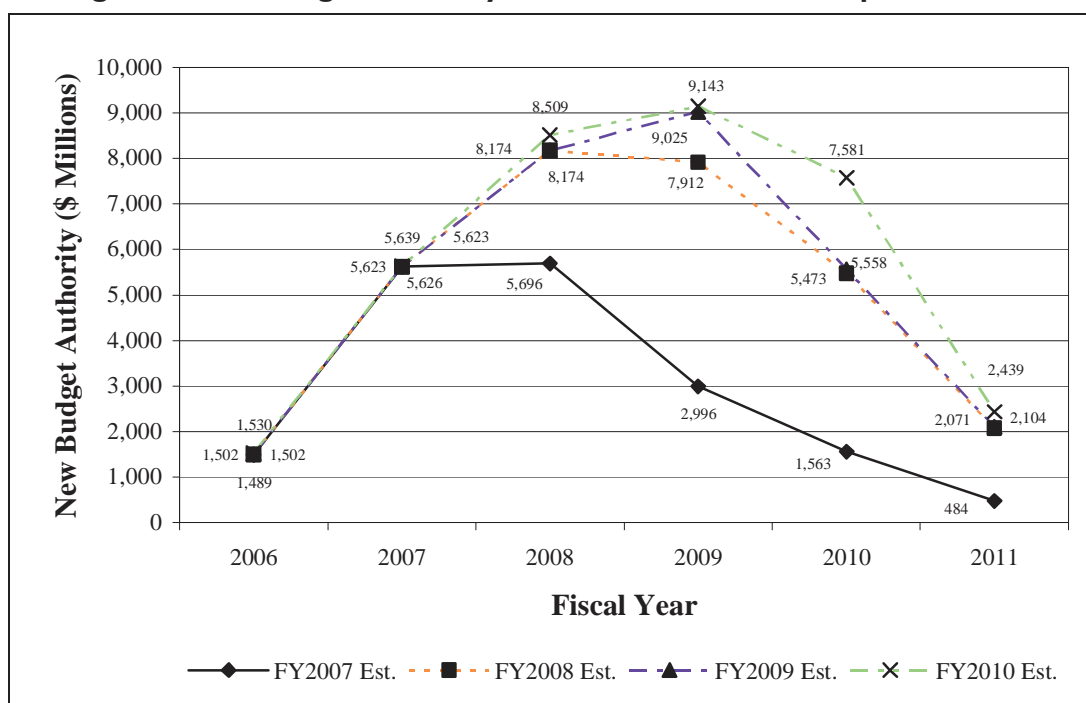
Cost of Implementation, 2005 BRAC Round

In the detailed documentation submitted by DOD to accompany the President's FY2010 appropriations request, DOD estimated that its one-time implementation costs for BRAC 2005 will total \$34.8 billion.¹¹

These cost estimates have changed over time as the military departments and DOD have developed plans to carry out the various required BRAC actions. In its FY2007 request, DOD estimated the total one-time implementation cost to implement the 2005 BRAC round and to redeploy approximately 70,000 troops and their families from overseas garrisons to bases within the United States at \$17.9 billion. Between the submission of the FY2007 request in February 2006 and the FY2008 request the next year, DOD estimates had risen considerably, causing the estimate of one-time implementation cost to rise to more than \$30.7 billion. The same estimate made by DOD in February 2008 for the FY2009 appropriations request rose again, to approximately \$32.0 billion.

Figure 1 displays the progression of DOD cost estimates.

Figure 1. New Budget Authority Estimates, BRAC 2005 Implementation



Source: DOD Budget Justification Documents for FY2007-FY2010.

¹¹ One-time implementation costs for BRAC include the construction of necessary facilities, environmental remediation of surplus military property, the operation and maintenance of property associated with BRAC, and the transfer of military and DOD civilian employees to new duty stations.

In requesting military construction funds for FY2007, DOD estimated the total one-time implementation cost to implement the 2005 BRAC round (the realignment and closure of a number of military installations on United States territory) and to redeploy approximately 70,000 troops and their families from overseas garrisons to bases within the United States at \$17.9 billion. Between the submission of the FY2007 request in February 2006 and the FY2008 request the next year, DOD estimates had matured considerably, causing the estimate of one-time implementation cost to rise to more than \$30.7 billion. The same estimate made by DOD in February 2008 for the FY2009 appropriations request rose again, to \$32.0 billion.

Requiring the Secretary to Seek Fair Market Value in Economic Development Conveyances

The House version of the National Defense Authorization Act (H.R. 2647) contained language (Section 2711) that would have amended the Defense Base Closure and Realignment (BRAC) Act of 1990, redefining the role of the Economic Development Conveyance (EDC) and restricting the ability of the Secretary of Defense to negotiate the fair market value of surplus property being transferred to local redevelopment authorities.¹² The provision would have loosened the definition of the EDC and tied the value of the property to *post hoc* market conditions, rather than *ad hoc* valuation by the Secretary. It would also have required the Secretary to convey the property for no consideration (no-cost) under certain conditions.

Section 2705 of the Senate amendment expressed a sense of the Senate that the Department of Defense should comprehensively assess the needs of communities while assisting them to deal with the effects of base closures or growth.

The enacted version of the bill (P.L. 111-84) amended Section 2905 of the BRAC Act to replace the previous requirement for the Secretary to seek fair market value in real property EDC with authority granting him discretion to account for local economic conditions and the cost of needed additional local infrastructure (transportation, utilities, schools, etc.) when considering the amount of consideration to be requested for all BRAC-surplused property. The enacted language also grants the Secretary the authority to accept a range of considerations in lieu of cash value, including a share of the revenues generated from subsequent sale or lease of the property.

Implementing the 2005 BRAC Round, Eglin AFB Funding

One of the BRAC Commission recommendations establishes a joint pilot training school for the new F-35 *Thunderbolt II* (Joint Strike Fighter, JSF) at Eglin Air Force Base (AFB) adjacent to Valparaiso, FL. In their FY2010 request, the Air Force and Navy jointly requested six construction projects related to the new training squadron. Both the House Appropriations and Armed Services Committees recommended that the full cost of these projects be fully funded

¹² An economic development conveyance (EDC) is the transfer of title to surplus real property for the expressed purpose of generating employment on the site. An EDC requires that proceeds from the sale or lease of the transferred property must be devoted to economic development of the site for a period of seven years. The existing BRAC law required the Secretary of Defense to seek fair market value for all property surplused in the 2005 BRAC round and conveyed for the purpose of economic development. For a more complete description of an EDC and introduced legislation that would amend its provisions, see CRS Report R40620, *Military Installation Real Property and Services: Proposed Legislation in the 111th Congress*, coordinated by Daniel H. Else.

through the Air Force account, with the Armed Services Committee noting that unitary management would “ensure that a complete and usable facility can be constructed.”¹³

Guam Redeployment

The FY2010 budget includes the first request for funds to relocate approximately 8,000 Marines and an estimated 10,000 members of their families from installations in the Prefecture of Okinawa to the U.S. Territory of Guam. Relocation funding is to be shared between the governments of Japan and the United States. Associated with the Guam relocation is the construction of a replacement facility on Okinawa for the Marine aviation facility at Futenma and a redeployment of units to Camp Schwab, Okinawa.¹⁴ In its Statement of Administration Policy (SAP) on H.R. 2647 (the House-passed version of the National Defense Authorization Act for FY2010), the Office of Management and Budget (OMB) objected to a provision (Section 2836) that would prevent the Secretary of Defense from accepting a Japanese-built Futenma Replacement Facility (FRF) until he certifies that it meets Naval Aviation Safety standards. OMB stated that the planned FRF configuration has already been formally agreed between the governments of the United States and Japan.

More than \$10.2 billion in joint construction funding for the relocation, which includes new operations-related structures and housing and infrastructure and utility upgrades on Guam, has yet to be coordinated between Japan and the United States, and the recent election of a new government in Japan may have slowed the conclusion of these negotiations. Nevertheless, the relocation is expected to be complete by 2014.¹⁵ Several provisions in the House-passed version of H.R. 2647 related to construction supporting the relocation. Among them, Section 2833 would have required construction workers to be paid not less than the lowest wage rates for comparable work performed in Hawaii, rather than the prevailing local wage rate set by the Secretary of Labor. In his written response to advance policy questions submitted to the SASC pursuant to his July 9, 2009, hearing on his nomination to become Commander, U.S. Pacific Command, Admiral Robert F. Willard, USN, stated

According to Department of Labor data, Hawaii construction wage rates are approximately 300% higher than those on Guam. The \$10.27B estimated cost for construction to relocate the Marines to Guam was based on historical wages experienced on Guam. In accordance with international agreement, the amount of funding that Japan will provide is fixed. Therefore, any additional cost will require more U.S. funding. The Joint Guam Program Office estimates application of Hawaii Davis-Bacon wage rates with fringes to Guam could increase the labor cost for the realignment by \$4.7B.¹⁶

¹³ H.Rept. 111-188, pp. 22-3; H.Rept. 111-166, p. 518.

¹⁴ MCAS Futenma is located approximately five miles from Naha, the capital of Okinawa Prefecture, in south-central Okinawa. Camp Schwab is located in northeastern Okinawa. The construction of the Futenma Replacement Facility is expected before the end of 2010.

¹⁵ The 2000 U.S. census stated the population of Guam as 154, 805. The Marine relocation may increase the Territory’s population by more than 11.6% within the next five years and will be preceded by a large number of temporary construction workers.

¹⁶ U.S. Congress, Senate Committee on Armed Services, *Hearing to Consider the Nominations of General James E. Cartwright, USMC, and Admiral Robert F. Willard, USN*, 111th Cong., 1st sess., July 9, 2009.

Section 2833 would also have limited the number of construction work hours each month performed by persons holding H2B visas to no more 30% of the total.¹⁷

The SASC noted that an Environmental Impact Statement, required before construction can begin on Guam, is underway. For several years, the committee has been vocal in requesting a DOD master plan that would detail the extent of military construction and associated infrastructure upgrades that the relocation would require. To date, no such comprehensive plan has been submitted, and the initiation of a QDR and deferral of a FYDP appears to indicate that a Guam Master Plan will be further delayed. The committee recommended that some construction projects requested for Guam be deferred pending the submission of a master plan and FYDP and reduced the requested Navy construction authorization by \$211.0 million.¹⁸ In its SAP on S. 1390, OMB objected, stating that the government of Japan had appropriated \$366.0 million for its current fiscal year as part of a \$6.0 billion commitment to help develop Guam.

The enacted version of the bill (P.L. 111-84) requires that local wage rates apply to military construction contracts associated with the realignment of military installations and relocation of personnel to Guam and requires the Secretary of Labor to issue an annual wage rate determination until 90% of the funds for the project are expended. It also imposes no limitation on the number of visa holders who may work on construction projects, but requires that the needed visas be issued subsequent to the issuance of a temporary labor certification by the Governor of Guam.¹⁹ The bill also conditions acceptance of the Futenma Replacement Facility on a report by the Secretary of Defense to the congressional defense committees that it and its associated operating procedures are consistent with naval aviation safety requirements, but does not deny the Secretary the authority to exercise his existing waiver authorities.

Overseas Installations

Overseas Contingency Operations

The FY2010 appropriations request includes \$1.41 billion in overseas contingency construction for projects at various locations in Afghanistan. In previous years, construction projects in an active military area of operations would have been requested in one or more requests for emergency supplemental appropriations. This marks the first year that all such construction is included in the regular annual appropriation request.

Construction at Al Musannah Air Base, Oman

The U.S. Air Force operates a facility at Seeb International Airport (also known as Muscat International Airport), Oman, a joint civil-Royal Omani Air Force site, that includes prepositioned

¹⁷ An H2B visa is issued to nonimmigrant, temporary, nonagricultural workers for labor that is seasonal, intermittent, one-time, or meets a peak load need, and U.S. workers cannot be found. Additional information on the H2B visa program can be found in CRS Report RL32044, *Immigration: Policy Considerations Related to Guest Worker Programs*, by Andorra Bruno.

¹⁸ S.Rept. 111-35, pp. 219-20.

¹⁹ Section 2834 of the enacted bill. The Governor must also certify to the Secretary of Defense that there are insufficient United States workers able, willing, and available for the work and that the hiring of such visa-holders will not adversely affect the wages and working conditions of similarly employed workers in Guam.

war reserve materiel. The Omani government has requested that U.S. military activity at the airport be relocated to a new site, Al Musannah, so that commercial development may proceed at Seeb International.²⁰ DOD subsequently requested funding for construction at the Al Musannah site. The SASC recommended that funding requested in FY2010 (\$69.0 million for airlift ramp and fuel facilities and \$47.0 million for a war reserve materiel compound) be denied, noting the lack of a base master plan to guide construction, the incomplete state of the needed long-term agreement with the Omani government for its use, and the absence of contributions from the Omanis to its construction and operation. The committee calculated that the future cost to complete construction and bring the new installation into operation would likely reach \$350 million, observing that a FYDP would assist in confirming the magnitude of the necessary future investment.²¹ The final version of the authorization act (H.R. 2647, P.L. 111-84) did not authorize the appropriation of the funds requested for construction. The conferees recommended that DOD confirm the existence of an updated host nation agreement before resubmitting the project in a future Presidential budget request.

Oversight of the Development of Overseas Installations

The SASC noted in its report on S. 1390 that then-President George W. Bush released an *Integrated Global Posture and Basing Strategy* (IGPBS) in 2004. Later renamed the *Global Defense Posture Realignment Strategy* (GDPRS), it formed the basis for plans to redeploy as many as 70,000 military personnel and their families from garrisons overseas to installations within the United States over the subsequent decade.

Section 2704 of S. 1390 would have required the Secretary of Defense to submit an annual report on the status of overseas base closures and realignments that result from the implementation of changes in DOD's basing strategy. Because the QDR was created to be a comprehensive examination of national defense strategy, infrastructure, and other elements of defense policy, Section 2704 would also have amended its governing law, 10 U.S.C. 118, to require an additional report from the Secretary on the impact each QDR would have on the global posture of U.S. military forces. The enrolled version of the National Defense Authorization Act (H.R. 2647, P.L. 111-84) retained that provision as an amendment to Title 10, inserting a new Section 2687a, "Overseas Base Closures and Realignments and Basing Master Plans."

The final bill also included in Section 1063 a requirement that the Secretary of Defense submit, concurrent with delivery of the 2009 QDR, a report on the plan for basing forces outside of the United States. In particular, the report is to address how such a plan would support international and bilateral security agreements, describe the current security environment in each geographic combatant command's Area of Responsibility, and assess the impact of any permanent change in unit basing would have on those agreements and on the status of overseas base closure and realignment actions already underway. The report is to also include the Secretary's recommendations, if any, for additional overseas base closures or realignments. The statute

²⁰ The Oman Airports Management Company reports that between 2000 and 2006, the number of passengers annually passing through Seeb International increased from 2.7 million to 4.8 million, the tons of freight transshipped rose from 69.6 to 99.5 thousand tons, and the number of civilian aircraft movements increased from 36.0 thousand to 46.3 thousand. Activity at the airport in more recent years has since dropped off somewhat. Information downloaded from http://www.omanairports.com/seeb_trafficstatistics.asp, downloaded on July 13, 2009.

²¹ S.Rept. 111-35, p. 223.

requires the Secretary to notify Congress at least 30 days before the permanent relocation of a unit stationed outside of the United States.

Transition of Camp Lemonier from Expeditionary to Enduring Status

Construction at Camp Lemonier, a former French Foreign Legion facility in Djibouti that is now the location of Combined Joint Task Force–Horn of Africa (CJTF-HOA), has been supported by emergency supplemental appropriations for expeditionary operations.²² Nevertheless, CJTF-HOA has recently been described by the Africa Command (AFRICOM) staff as an “enduring forward operating site,” implying that it has assumed a more permanent status. New construction projects requested for the Camp in 2010 have been included in the regular appropriation.

In its report on S. 1407, the SAC observed that AFRICOM headquarters is located in Stuttgart, Germany. With Camp Lemonier, still an expeditionary outpost, its sole installation within the AFRICOM area of responsibility, the committee was unwilling to support any enduring construction prior to the release of the 2010 QDR. The SAC instructed DOD to submit a strategic infrastructure plan for AFRICOM not later than April 30, 2010.²³

The SASC expressed concern in its report on S. 1390 that the future mission of CJTF-HOA, its relationship with other U.S. governmental organizations in the region, and the ability of AFRICOM to sustain the task force’s current level of operations remain unclear and directed the Secretary of Defense to submit an explanatory report.²⁴ This language was not included in the final authorization act’s conference report.

Military Housing

Army Trainee Barracks

The Department of the Army has reported that housing for an anticipated 65,000 new troops at its various initial training facilities will not be brought up to its current habitability standards before 2015. The House recommended additional funding to accelerate trainee troop barracks modernization.²⁵

Privatization Initiatives

The Military Housing Privatization Initiative (MHPI), initiated more than a decade ago by then-Secretary of Defense William J. Cohen, has thus far resulted in the transfer of responsibility, and cost, to private enterprise for the construction, maintenance, and operation of military family

²² CJTF-HOA was created in late 2002 aboard USS *Mount Whitney* (LCC-20), a Navy headquarters communications ship. The staff moved ashore to Camp Lemonier during 2003. Its area of responsibility encompassed Kenya, Somalia, Sudan, Eritrea, Djibouti and Ethiopia in Africa, and Yemen on the Arabian Peninsula. Since its inception, CJTF-HOA has existed within the U.S. Central Command (CENTCOM) Area of Responsibility, but as the newly created Africa Command (AFRICOM) gains its full organizational capacity, Djibouti and the rest of the continent (except Egypt) will come under its control.

²³ S.Rept. 111-40, p. 14.

²⁴ S.Rept. 111-35, pp. 218-9.

²⁵ H.Rept. 111-188, p. 18.

housing at approximately 100 military installations across the nation. This privatization has reduced the amount of appropriated funds needed for the construction and operation of military family housing. Therefore, the total military family housing appropriation request for FY2010, \$1.96 billion, comprises only 62% of the FY2009 enacted level of funding.²⁶

Incremental vs. Phased Construction Funding

Major construction projects often require several years to complete. In their planning and execution, military departments and defense agencies have developed the practice of requesting authorization and appropriations in discrete phases, each of which is considered to be independent of another.

A “military construction project” is defined in statute to include “all ... work ... necessary to produce a complete and usable facility or a complete and usable improvement to an existing facility.”²⁷ Thus, each construction phase must result in a facility that can be placed in service.

All four military construction committees have expressed their willingness to authorize these large and complex construction projects in their entirety and appropriate funding incrementally (i.e., in annual portions). As assessed by the SASC, when used on some large-scale projects, the use of phased construction “can lead to inefficient designs, complex construction difficulties ..., repeated contractor mobilizations, and inefficient ordering of construction materials. This phasing strategy often leads to higher overall costs ... and longer construction times....”²⁸ The HASC supported full authorization for a number of major projects, but authorized the appropriation of only part of the total amount. The HASC calculated this reduction based on its assessment of the relevant military department’s ability to execute an annual increment of the needed construction.²⁹ In its Statements of Administration Policy on H.R. 2647 and S. 1390, the House and Senate versions of the National Defense Authorization Act for FY2010, and H.R. 3082, the House-passed version of the military construction appropriations bill, OMB objected to incremental funding, stressing its desire to continue the use of so-called “full funding.”

The HAC stated, “that while projects should be fully funded or separated into standalone phases where practicable, incremental funding should remain an option when it makes fiscal and programmatic sense.”³⁰ The Senate committee observed, “it continues to be the practice of the Committee to provide incremental funding for certain large projects, despite administration policy to the contrary, to enable the services to more efficiently allocate military construction dollars....”³¹

²⁶ Because privatized housing is paid for primarily through the Basic Allowance for Housing (BAH) issued to service members living in non-government accommodations, the primary budgetary effect of housing privatization is a shift of the cost of housing from the military construction appropriation to the military personnel appropriation account in the defense appropriation. See H.Rept. 111-188, p. 28, and S.Rept. 111-40, pp. 6-7.

²⁷ 10 U.S.C. 2801(b).

²⁸ S.Rept. 111-35, p. 240.

²⁹ H.Rept. 111-166, pp. 515-6.

³⁰ The committee’s report notes that the Office of Management and Budget will disallow any incrementally funded military construction projects beginning with the FY2010 appropriations request. H.Rept. 111-188, p. 18.

³¹ S.Rept. 111-40, p. 9.

The final version of the National Defense Authorization Act for FY2010 (H.R. 2647, P.L. 111-84) authorized full funding and incremental appropriations for hospital replacement projects on Guam and at Ft. Bliss, TX.³²

Navy Outlying Landing Fields

Navy and Marine crews of fixed-wing aircraft are required to periodically practice shipboard landing techniques under daylight and nighttime conditions at specially equipped airfields before deploying to their assigned aircraft carriers. In order to mimic conditions at sea as closely as possible, the Department of the Navy maintains a number of these Outlying Landing Fields (OLF) at sites selected in part for their proximity to major Naval and Marine Corps Air Stations and at sufficient distance from encroaching city and suburban sprawl to eliminate distracting lights.

OLF Fentress, an auxiliary airstrip located eight miles southwest of Naval Air Station (NAS) Oceana in Virginia Beach, VA, has served this purpose for several decades. Residential encroachment prompted the Department of the Navy to remove the training function to a new site available to F/A-18 squadrons based at both NAS Oceana and Marine Corps Air Station (MCAS) Cherry Point, NC. The initial effort focused on a rural inland location midway between Plymouth, VA, and Pantego, NC, approximately 85 miles from the NAS and 57 miles from the MCAS, but the new airfield was resisted by local governments, culminating in Congress repealing the Navy's authorization to acquire the land. The Department is now examining alternative OLF locations.

In its report on S. 1390, the SASC directed the Secretary of the Navy to consult with the State of North Carolina and the Commonwealth of Virginia, local governments and other interested parties prior to issuing a final environmental impact statement and record of decision on its choice of location of a new field and to report on this to the defense committees.³³

The HASC also addressed Navy OLFs, but went farther by incorporating several specific measures into their recommended statutory language. Section 2818 of the House-drafted version of H.R. 2647 would prevent the Secretary of the Navy from establishing an OLF at a location where the Secretary finds the local political jurisdiction formally opposed. Section 2819 would prohibit the establishment of an OLF at either Sand Banks or Hale's Lake, NC, two more recently studied sites.

The enacted version of H.R. 2647 contained neither of these provisions.

³² H.Rept. 111-288, p. 875.

³³ S.Rept. 111-35, pp. 220-1.

Other Issues

Piñon Canyon, CO, Maneuver Training Area (PCMTA)

During the 1980s, the Department of the Army acquired approximately 250,000 acres near Ft. Carson, CO, for use as a troop maneuvering area. Half of the land was purchased via open sale, with the remainder bought through the use of condemnation proceedings.³⁴

When the Department announced that the number of soldiers stationed at Ft. Carson would increase substantially, it initiated an effort to add an additional 450,000 acres to the PCMTA. Local land owners expressed concern that public condemnation might again be invoked to acquire the new land.

An amendment to the bill appropriating military construction funds for FY2008 (P.L. 110-161) forbade the use of such funds for Piñon Canyon expansion. Identical language appeared in the military construction appropriations act for FY2009. This restriction is continued in Section 125 of Administrative Provisions in Title I of the current H.R. 3082, the House version of the Military Construction Appropriations Act for FY2010.

New Project Starts Under Continuing Resolutions

Federal agency operations are normally funded through the enactment of one of the 13 annual appropriations bills requested by the President and passed by Congress. Absent an annual appropriation, agency operations are funded under one or more continuing resolutions. Statute forbids the initiation of new programs using continuing resolution funding.

DOD requested statutory relief from this restriction for new military construction projects. The HAC did not include such a provision in its version of the appropriations act (H.R. 3082).³⁵

School Construction

A number of military installations will gain a significant number of military and civilian personnel during the next several years due to force shifts associated with base realignments, military end strength increases, and the redeployment of military units from overseas to domestic garrisons. Most school-age children of military personnel attend public schools operated by local school agencies.

Federal property is exempt from the local taxation that normally supports school systems, and an important federal support for school attendance takes the form of Impact Aid Program payments to local school districts.³⁶ Nevertheless, impact aid is retroactive, depending on an annual census

³⁴ A more lengthy discussion of the issues surrounding the Piñon Canyon Maneuver Training Site can be found on pp. 22-3 of CRS Report RL34558, *Military Construction, Veterans Affairs, and Related Agencies: FY2009 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

³⁵ H.Rept. 111-188, p. 33.

³⁶ The Impact Aid Program is established in Title VIII of the Elementary and Secondary Education Act of 1965 (ESEA).

of military family school children. This has presented a challenge for jurisdictions to prepare for a large influx of students as military units move to nearby installations.

The HAC directed DOD to report on options available to proactively assist local agencies with school construction and renovation and on conditions that could trigger the need for new DOD school construction.³⁷

Title II: Department of Veterans Affairs

Table 3. Department of Veterans Affairs Appropriations, FY2003-FY2009

(budget authority in billions of \$)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
VA	58.10	61.84	65.84	71.46	79.55	88.11	95.95

Source: Amounts shown are from reports of the Appropriations Committees accompanying the appropriations bills for the years noted above.

Agency Overview

The Department of Veterans Affairs (VA) administers directly, or in conjunction with other federal agencies, programs that provide benefits and other services to veterans and their spouses, dependents and beneficiaries. The VA has three primary organizations to provide these benefits: the Veterans Benefits Administration (VBA), the Veterans Health Administration (VHA), and the National Cemetery Administration (NCA). Benefits available to veterans include service-connected disability compensation; a pension for low-income veterans who are elderly or have a nonservice-connected disability; vocational rehabilitation for disabled veterans; medical care; life insurance; home loan guarantees; burial benefits; and educational and training benefits to help in the transition of active servicemembers to civilian life. As shown in **Table 3**, VA appropriations for benefits and services has increased from \$52.38 billion in FY2003 to \$95.95 billion in FY2009.

Table 4. Appropriations: Department of Veterans Affairs, FY2009-FY2011

(budget authority in billions of \$)

Program	FY2009 Enacted	FY2010 Request	House (H.R. 3082)	
			FY2010	FY2011
Compensation and pensions	43.112	47.218	47.218	
Readjustment benefits	3.833	8.664	8.664	
Insurance and indemnities	0.042	0.049	0.049	
Housing programs (net, indefinite) ^a	-0.243	-0.109	-0.109	

³⁷ H.Rept. 111-188, pp. 18-9. The DOD Education Agency (DODEA) operates 192 primary, middle, and secondary schools in 14 districts located in seven states, the Territory of Guam, the Commonwealth of Puerto Rico, and 12 foreign countries where significant numbers of U.S. military families are stationed.

Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations

Program	FY2009 Enacted	FY2010 Request	House (H.R. 3082)	
			FY2010	FY2011
Housing programs administration	0.158	0.165	0.165	
<i>Total, Veterans Benefits Administration (VBA)</i>	<i>46.901</i>	<i>55.988</i>	<i>55.988</i>	
National Cemetery Administration	0.230	0.242	0.250	
Supplemental Appropriations ^b	0.050			
<i>Total, National Cemetery Administration (NCA)</i>	<i>0.280</i>	<i>0.242</i>	<i>0.250</i>	
Medical Services	30.970	34.705	34.705	
Advance appropriations				37.136
Medical support and compliance	4.450	5.100	4.900	
Advance appropriations				5.307
Medical facilities	5.029	4.693	4.893	
Advance appropriations				5.740
Supplemental Appropriations ^b	1.000			
Medical and prosthetic research	0.510	0.580	0.580	
Medical Care Collection Fund ^c				
(Offsetting receipts)	-2.544	-2.954	-2.954	
(Appropriations - indefinite)	2.544	2.954	2.954	
<i>Total, Veterans Health Administration (VHA)</i>	<i>41.959</i>	<i>45.078</i>	<i>45.078</i>	
<i>Total, VHA advance appropriations^d</i>				<i>48.183</i>
<i>Available to VHA (includes collections)</i>	<i>44.503</i>	<i>48.032</i>	<i>48.029</i>	
General operating expenses	1.802	2.219	2.086	
Supplemental Appropriations ^b	0.150			
Information technology	2.489	3.307	3.307	
Supplemental Appropriations ^b	0.050			
Inspector General	0.088	0.107	0.106	
Supplemental Appropriations ^b	0.001			
Construction, major projects	0.923	1.194	1.194	
Construction, minor projects	0.742	0.600	0.723	
Grants for state extended care facilities	0.175	0.085	0.085	
Supplemental Appropriations ^b	0.150			
Grants for state veterans cemeteries	0.042	0.042	0.046	
Filipino Veterans Equity Compensation Fund	0.198			
<i>Total, Departmental Administration</i>	<i>6.810</i>	<i>7.554</i>	<i>7.547</i>	
Total, Department of Veterans Affairs	95.950	108.861	108.860	
Total, VA advance appropriations				48.183

Source: Table prepared by the Congressional Research Service based on reports of the House Appropriations Committee, various fiscal years.

- a. This negative budget authority is the result of combining the loan subsidy payments estimated to be needed during FY2006 with the offsetting receipts expected to be collected.
- b. American Recovery and Reinvestment Act of 2009 (P.L. 111-5)
- c. Medical Care Collections Fund (MCCF) receipts are restored to the VHA as an indefinite budget authority equal to the revenue collected.
- d. The House and Senate Committees on Appropriations have provided budget authority for FY2011 in FY2010 Appropriations Bills for the following accounts: medical services, medical support and compliance, and medical facilities. Under current budget scoring guidelines new budget authority for an advance appropriation is scored in the fiscal year in which the funds become available for obligation. Therefore, in this table the budget authority is recorded in FY2011 column.

**Table 5. Mandatory and Discretionary Appropriations:
Department of Veterans Affairs, FY2009-FY2011**
(budget authority in billions of \$)

	FY2009 Enacted	FY2010 Request	House (H.R. 3082)		Senate (S. 1407)	
			FY2010	FY2011	FY2010	FY2011
<i>Mandatory</i>						
Benefits (VBA)	46.743	55.822	55.822		55.822	
<i>Discretionary</i>						
Medical (VHA)	41.959	45.078	45.075		45.234	
Advance appropriations				48.183		48.183
National Cemetery Administration (NCA)	0.280	0.242	0.250		0.250	
Departmental administration	6.810	7.554	7.547		7.538	
Housing administration (VBA)	0.158	0.166	0.166		0.166	
<i>Total, discretionary</i>	<i>49.206</i>	<i>53.038</i>	<i>53.037</i>		<i>53.189</i>	
<i>Discretionary, advance appropriations</i>				48.183		48.183
Total, Department of Veterans Affairs	95.950	108.861	108.860		109.010	
Total, VA advance appropriations				48.183		48.183
<i>Percentages of Total</i>						
<i>Mandatory</i>	48.7%	51.3%	51.3%		51.2%	
<i>Discretionary</i>	51.3%	48.7%	48.7%	100.0%	48.8%	100.0%

Source: Table prepared by the Congressional Research Service based on reports of the House Appropriations Committee, various fiscal years.

Key Budget Issues

The FY2010 budget submitted by the Administration in May 2009 called for funding the VA at a level of \$108.9 billion for FY2010 (see **Table 4**). This would be an increase of \$12.9 billion, or 13.5%, over the FY2009 appropriation (including the economic stimulus funding provided by the American Recovery and Reinvestment Act [ARRA, P.L. 111-5]).

The largest increases in funding for the VA between FY2009 and FY2010 in the Administration request, H.R. 3082, and S. 1407 are for compensation and pension benefits, and readjustment benefits, where the largest component is for education benefits. As shown in **Table 4**, H.R. 3082 would provide \$108.9 billion in FY2010 funding for the VA, and \$48.2 billion in advance FY2011 funding for VA medical care. While H.R. 3082 provides total funding for the VA equal to the Administration request, H.R. 3082 would provide lower funding for general operating expenses and greater funding for minor construction and the National Cemetery Administration than in the Administration request.

S. 1407 would provide, as shown in **Table 4**, \$109.0 billion in FY2010 funding for the VA, and \$48.2 billion in advance FY2011 funding for VA medical care. S. 1407 would provide higher funding for medical facilities and grants for state extended care facilities than in the Administration request.

As shown in **Table 5**, there is an almost equal split between mandatory and discretionary funding for the VA. In the FY2009 appropriation, mandatory funding was only slightly less than discretionary funding. Both the Administration request, H.R. 3082, and S. 1407 for FY2010 would provide discretionary funding that is slightly less than mandatory funding. For FY2011, all of the advance funding provided by H.R. 3082 and S. 1407 is discretionary funding.

Title III: Related Agencies

American Battle Monuments Commission

The American Battle Monuments Commission (ABMC) is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of U.S. armed forces since the nation's entry into World War I; the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and the design, construction, and maintenance of permanent cemeteries and memorials in foreign countries. The Commission maintains 24 cemeteries and 25 memorials in either foreign countries or on U.S. soil.

U.S. Court of Appeals for Veterans Claims

The U.S. Court of Appeals for Veterans Claims was established by the Veterans' Administration Adjudication Procedure and Judicial Review Act of 1988 (P.L. 100-687). The Court is an independent judicial tribunal with exclusive jurisdiction to review decisions of the Board of Veterans' Appeals. It has the authority to decide all relevant questions of law; interpret constitutional, statutory, and regulatory provisions; and determine the meaning or applicability of the terms of an action by the VA. It is authorized to compel action by the VA. It is authorized to

hold unconstitutional or otherwise unlawful and set aside decisions, findings, conclusions, rules and regulations issued or adopted by the VA or the Board of Veterans' Appeals.

The Court currently occupies leased facilities near Judiciary Square in the District of Columbia and is searching for a permanent location as the current lease expires in September 2010.

Department of Defense: Civil (Army Cemeterial Expenses)

The Secretary of the Army is responsible for the administration, operation and maintenance of Arlington National Cemetery and the Soldiers' and Airmen's Home National Cemetery. In addition to its principal function as a national cemetery, Arlington is the site of approximately 3,100 non-funeral ceremonies each year and has approximately 4,000,000 visitors annually.

H.R. 3082 would prohibit construction of a perimeter wall at Arlington National Cemetery.

Armed Forces Retirement Home (AFRH)

The Armed Forces Retirement Home Trust Fund provides funds to operate and maintain the Armed Forces Retirement Home in Washington, DC (also known as the United States Soldiers' and Airmen's Home) and the Armed Forces Retirement Home in Gulfport, Mississippi (originally located in Philadelphia, PA, and known as the United States Naval Home). These two facilities provide long-term housing and medical care for approximately 1,600 needy veterans. The Gulfport campus, encompassing a 19-story living accommodation and medical facility tower, was severely damaged by Hurricane Katrina at the end of August, 2005, and is not currently in use. Residents of the facility were transferred to the Washington, DC, location immediately after the storm. A Memorandum of Understanding (MOU) was signed between the AFRH and the General Services Administration (GSA) for the rebuilding of the Gulfport facility, with a targeted completion date in 2010.

The appropriation for the AFRH facilities is from the Armed Forces Retirement Home Trust Fund. The trust fund is maintained through gifts, bequests, and a \$0.50 per month assessment on the pay of active duty enlisted military personnel and warrant officers.

The FY2010 Administration request and H.R. 3082 contain funding for construction at the Washington, DC location.

Table 6 shows the FY2009 enacted appropriations, the FY2010 request, and the funding provided by H.R. 3082 for FY2010 for each of the related agencies.

Table 6. Appropriations: Related Agencies, FY2009-FY2010
(budget authority in thousands of \$)

	FY2009 Enacted	FY2010 Request	House (H.R. 3082) FY2010	Senate (S. 1407) FY2010
American Battle Monuments Commission (ABMC)				
Salaries and expenses	59.470	60.300	61.800	63.549

			House (H.R. 3082)	Senate (S. 1407)
	FY2009 Enacted	FY2010 Request	FY2010	FY2010
Foreign currency fluctuations account	17.100	17.100	17.100	17.100
<i>Total, ABMC</i>	<i>76.570</i>	<i>77.400</i>	<i>78.900</i>	<i>80.649</i>
U.S. Court of Appeals for Veterans Claims				
Salaries and expenses	30.975	27.115	28.115	27.115
Army Cemeterial Expenses				
Salaries and expenses	36.730	37.200	42.500	37.200
Armed Forces Retirement Home (AFRH)				
Operation and maintenance	54.985	62.000	62.000	62.000
Capital program	8.025	72.000	72.000	72.000
<i>Total, AFRH</i>	<i>63.010</i>	<i>134.000</i>	<i>134.000</i>	<i>134.000</i>
Total, All Related Agencies	207.285	275.715	283.515	278.964

Source: Table prepared by the Congressional Research Service based on reports of the House Appropriations Committee, various fiscal years.

Appropriations for FY2009

Regular Appropriations (Consolidated Security and Continuing Appropriations)

President George W. Bush submitted his FY2009 appropriations request to Congress on February 4, 2008. The House Committee on Appropriations (HAC) Subcommittee on Military Construction, Veterans Affairs, and Related Agencies marked its bill on June 12, 2008, and the full committee markup took place on June 24. Representative Chet Edwards, the subcommittee chair, introduced the bill (H.R. 6599, H.Rept. 110-775) on July 24. After extensive debate and the raising of two points of order on the floor, the House passed H.R. 6599 on August 1, 2008.³⁸

The Senate Committee on Appropriations (SAC) Subcommittee on Military Construction, Veterans Affairs, and Related Agencies polled out its version of the appropriations bill, and the full committee reported it out without amendment by a unanimous vote on July 17, 2008. Senator

³⁸ A more detailed discussion of the bill's passage is found in CRS Report RL34558, *Military Construction, Veterans Affairs, and Related Agencies: FY2009 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

Tim Johnson, subcommittee chair, introduced the measure (S. 3301, S.Rept. 110-428) on July 22, 2008.

In the course of legislative business, several analysts suggested that this and other appropriations bills might not be adopted until the convening of the 111th Congress.³⁹ The text of the military construction appropriations bill was incorporated into Division E of an amendment to H.R. 2638, the Department of Homeland Security Appropriations Act, 2008, a bill subsequently retitled the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009. Passed by both chambers in late September, the President signed the bill into law (P.L. 110-329) on September 30, 2008.⁴⁰

Economic Stimulus (American Reinvestment and Recovery Act)

Representative David R. Obey, chair of the HAC, introduced the American Recovery and Reinvestment Act of 2009 (H.R. 1), or ARRA, to the 111th Congress on January 26, 2009. Title X of the bill added funding to several military construction and veterans affairs appropriations accounts. After debate and amendment, H.R. 1 was passed by the House on January 27. The Senate subsequently substituted its own version of the bill, S. 336, and after floor debate and amendment, passed H.R. 1 on February 10, 2009.

The conference committee filed its report (H.Rept. 111-16) on February 12, and President Barack Obama signed the bill into law (P.L. 111-5) on February 16, 2009.⁴¹

The ARRA added \$4.28 billion to already-enacted military construction, family housing, and veterans affairs appropriations, increasing DOD accounts by \$2.88 billion and Department of Veterans Affairs accounts by \$1.40 billion. A detailed discussion of ARRA provisions related to military construction appropriations may be found in CRS Report RL34558, *Military Construction, Veterans Affairs, and Related Agencies: FY2009 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangala.

Supplemental Appropriations Act, 2009

Representative Obey introduced a supplemental appropriations bill (H.R. 2346) on May 12, 2009, that consolidated funds, with some adjustments, that the Administration had requested in four supplemental appropriations proposals, including an April 9 request for \$83.4 billion in supplemental funding for defense, international affairs, domestic fire fighting, and other purposes; an April 30 request for \$1.5 billion for influenza preparedness and response; and a May 12 request for \$5 billion to support International Monetary Fund (IMF) borrowing authority.

The House passed the bill on May 14. The Senate passed its version of the bill on May 21.

³⁹ Manu Raju, "Approps Bills May Wait," *The Hill*, July 2, 2008, p. 1.

⁴⁰ For more information on the bill, see CRS Report RL34711, *Consolidated Appropriations Act for FY2009 (P.L. 110-329): An Overview*, by Robert Keith.

⁴¹ A detailed discussion of the ARRA can be found in CRS Report R40537, *American Recovery and Reinvestment Act of 2009 (P.L. 111-5): Summary and Legislative History*, by Clinton T. Brass et al.

On June 2, the Administration submitted an additional request for \$2.0 billion more for influenza response, for expanded authority to transfer funds from other appropriations for influenza measures, and for \$200 million in additional humanitarian assistance to Pakistan. The conference committee filed its report (H.Rept. 111-151) on June 12, 2009. After agreement by both chambers, the President signed the bill into law (P.L. 111-32) on June 24.⁴²

The Act added \$2.11 billion to military construction accounts, including \$1.23 billion for Army, \$239.0 million for Navy and Marine Corps, and \$281.0 million for Air Force construction, \$263.3 million for the Base Realignment and Closure 2005, and \$100.0 million for the NATO Security Investment Program accounts.

⁴² For more detailed information on the supplemental appropriation, see CRS Report R40531, *FY2009 Spring Supplemental Appropriations for Overseas Contingency Operations*, coordinated by Stephen Daggett and Susan B. Epstein.

Appendix A. DOD Military Construction Accounts

Table A-I. Appropriations: Military Construction Appropriations Accounts
(budget authority in \$000)

Account	FY2008 Enacted	FY2009 Enacted ^a	FY2010 Request ^b	FY2010 House Committee	FY2010 Senate Committee	FY2010 Enacted
<i>Military Construction, Army</i>	3,936,583	4,692,648	3,660,779	3,630,422	3,477,673	—
Rescissions	-8,690	-51,320	—	-59,500	—	—
Emergency Appropriations (P.L. 110-252)	1,108,200	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	180,000	—	—	—	—
Supplemental Appropriations (P.L. 111-32)	—	1,326,231	—	—	—	—
Overseas Contingency Operations	—	—	923,884	926,484	924,484	—
<i>Total</i>	5,036,093	6,147,559	4,584,663	4,497,406	4,402,157	—
<i>Military Construction, Navy and Marine Corps</i>	2,198,394	3,333,369	3,763,264	3,760,317	3,548,771	—
Rescissions	-10,557	—	—	—	—	—
Emergency Appropriations (P.L. 110-252)	355,907	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	280,000	—	—	—	—
Supplemental Appropriations (P.L. 111-32)	—	235,881	—	—	—	—
<i>Total</i>	2,543,744	3,849,250	3,763,264	3,760,317	3,548,771	—
<i>Military Construction, Air Force</i>	1,159,747	1,117,746	1,145,434	1,356,184	1,213,539	—
Rescissions	-10,470	-20,821	—	—	—	—
Emergency Appropriations (P.L. 110-252)	399,627	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	180,000	—	—	—	—
Supplemental Appropriations (P.L.)	—	281,620	—	—	—	—

Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations

Account	FY2008 Enacted	FY2009 Enacted^a	FY2010 Request^b	FY2010 House Committee	FY2010 Senate Committee	FY2010 Enacted
111-32)						
Overseas Contingency Operations	—	—	474,500	474,500	474,500	—
<i>Total</i>	1,548,904	1,558,545	1,619,934	1,830,684	1,688,039	—
<i>Military Construction, Defense-wide</i>	1,609,596	1,695,204	3,097,526	2,743,526	3,069,114	—
Rescissions	-10,192	-3,589	—	-25,800	—	—
Emergency Appropriations (P.L. 110-252)	890,921	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	1,450,000	—	—	—	—
Supplemental Appropriations (P.L. 111-32)	—	661,552	—	—	—	—
Overseas Contingency Operations	—	—	6,600	—	—	—
<i>Total</i>	2,490,325	3803,167	3,104,126	2,717,726	3,069,114	—
Total, Active components	11,619,066	15,358,521	13,071,987	12,806,133	12,708,081	—
<i>Military Construction, Army National Guard</i>	536,656	736,317	426,491	523,129	497,210	—
Rescissions	—	-1,400	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	50,000	—	—	—	—
<i>Total</i>	536,656	784,917	426,491	523,129	497,210	—
<i>Military Construction, Air National Guard</i>	287,537	242,924	128,261	242,126	297,661	—
Emergency Appropriations (P.L. 111-5)	—	50,000	—	—	—	—
<i>Total</i>	287,537	292,924	128,261	242,126	297,661	—
<i>Military Construction, Army Reserve</i>	148,133	282,607	374,862	437,516	379,012	—
<i>Military Construction, Naval Reserve</i>	64,430	57,045	64,124	110,874	64,124	—
<i>Military Construction, Air Force Reserve</i>	28,359	36,958	27,476	103,169	47,376	—
Rescissions	-3,069	—	—	—	—	—
<i>Total</i>	25,290	36,958	27,476	103,169	47,376	—

Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations

Account	FY2008 Enacted	FY2009 Enacted^a	FY2010 Request^b	FY2010 House Committee	FY2010 Senate Committee	FY2010 Enacted
Total, Reserve components	1,062,046	1,454,451	1,021,214	1,416,814	1,285,383	—
Total, Military Construction	12,681,112	14,307,688	14,093,201	14,222,947	13,993,464	—
NATO Security Investment Program	201,400	230,867	276,314	234,914	276,314	—
Supplemental Appropriations (P.L. 111-32)	—	100,000	—	—	—	—
Total, NSIP	201,400	330,867	276,314	234,914	276,314	—
Family Housing Construction, Army	424,400	646,580	273,236	273,236	273,236	—
Rescissions	-4,559	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	34,507	—	—	—	—
Total	419,841	681,087	273,236	273,236	273,236	—
Family Housing Ops and Debt, Army	731,920	716,100	523,418	523,418	523,418	—
Emergency Appropriations (P.L. 111-5)	—	3,932	—	—	—	—
Total	731,920	720,042	523,418	523,418	523,418	—
Family Housing Construction, Navy and Marine Corps	293,129	380,123	146,569	146,569	146,569	—
Emergency Appropriations (P.L. 110-252)	11,766	—	—	—	—	—
Total	304,895	380,123	146,569	146,569	146,569	—
Family Housing Ops and Debt, Navy and Marine Corps	371,404	376,062	368,540	368,540	368,540	—
Family Housing Construction, Air Force	327,747	395,879	66,101	66,101	66,101	—
Rescissions	-15,000	—	—	—	—	—
Emergency Appropriations (P.L. 111-5)	—	80,100	—	—	—	—
Total	312,747	475,979	66,101	66,101	66,101	—
Family Housing Ops and Debt, Air Force	688,335	594,465	502,936	502,936	502,936	—
Emergency Appropriations (P.L. 111-5)	—	16,461	—	—	—	—

Military Construction, Veterans Affairs, and Related Agencies: FY2010 Appropriations

Account	FY2008 Enacted	FY2009 Enacted^a	FY2010 Request^b	FY2010 House Committee	FY2010 Senate Committee	FY2010 Enacted
111-5)						
<i>Total</i>	688,335	610,926	502,936	502,936	502,936	—
Family Housing Construction, Defense- wide	—	—	2,859	2,859	2,859	—
Rescissions	—	-6,040	—	—	—	—
<i>Total</i>	—	-6,040	2,859	2,859	2,859	—
Family Housing Ops and Debt, Defense-wide	48,848	49,231	49,214	49,214	49,214	—
DOD Family Housing Improvement Fund	500	850	2,600	2,600	2,600	—
Homeowners Assistance Fund	—	4,500	23,225	23,225	373,225	—
Emergency Appropriations (P.L. 111-5)	—	555,000	—	—	—	—
<i>Total</i>	—	559,500	23,225	23,225	373,225	—
Total, Family Housing	2,878,450	3,847,760	1,958,698	1,958,698	2,308,698	—
Chemical Demilitarization Construction, Defense-wide	104,176	144,278	146,541	146,541	151,541	—
Base Realignment and Closure						
BRAC, 1990	295,689	458,377	396,768	536,768	421,768	—
BRAC, 2005	7,235,591	8,765,613	7,479,498	7,479,498	7,479,498	—
Emergency Appropriations (P.L. 110-252)	1,278,886	—	—	—	—	—
Supplemental Appropriations (P.L. 111-32)	—	263,300	—	—	—	—
Total, BRAC	8,810,166	9,487,290	7,876,266	8,016,266	7,901,226	—
Air National Guard Fire Stations (Sec. 131)	—	28,000	—	—	—	—
Army National Guard Aviation and Training (Sec. 132)	—	147,000	—	—	—	—
Emergency Appropriations (P.L. 110- 252, Sec. 1001) Barracks Improvement	200,000	—	—	—	—	—
Grand Total, MilCon & FH	24,875,334	28,117,883	24,351,020	24,579,366	24,631,243	—

Source: Table prepared by the Congressional Research Service based on reports of the House Appropriations Committee, various fiscal years.

- a. Because FY2009 Enacted figures incorporate all enacted supplemental appropriations, totals and subtotals may differ from those appearing in other sources.
- b. FY2010 Request figures incorporate Overseas Contingency Operations construction projects into the so-called base budget. In prior years, these had been funded through separate emergency supplemental appropriations. For comparison, all appropriations are included in this table and may differ from those appearing in other sources.

Appendix B. Additional Resources

Budget

CRS Report RL30002, *A Defense Budget Primer*, by Mary T. Tyszkiewicz and Stephen Daggett.

CRS Report 98-720, *Manual on the Federal Budget Process*, by Robert Keith and Allen Schick.

Veterans Affairs

CRS Report RL33991, *Disability Evaluation of Military Servicemembers*, by Christine Scott et al.

CRS Report RS22483, *Health Care for Dependents and Survivors of Veterans*, by Sidath Viranga Panangala.

CRS Report RS20533, *VA-Home Loan Guaranty Program: An Overview*, by Bruce E. Foote.

CRS Report RL33704, *Veterans Affairs: The Appeal Process for Veterans' Claims*, by Douglas Reid Weimer.

CRS Report RL33113, *Veterans Affairs: Basic Eligibility for Disability Benefit Programs*, by Douglas Reid Weimer.

CRS Report RL33323, *Veterans Affairs: Benefits for Service-Connected Disabilities*, by Douglas Reid Weimer.

CRS Report RL34370, *Veterans Affairs: Health Care and Benefits for Veterans Exposed to Agent Orange*, by Sidath Viranga Panangala and Douglas Reid Weimer.

CRS Report RS22897, *Veterans Affairs: Historical Budget Authority, Fiscal Years 1940 Through 2008*, by Christine Scott.

CRS Report RS22561, *Veterans Affairs: The U.S. Court of Appeals for Veterans Claims—Judicial Review of VA Decision Making*, by Douglas Reid Weimer.

CRS Report RS22666, *Veterans Benefits: Federal Employment Assistance*, by Christine Scott.

CRS Report RL33985, *Veterans' Benefits: Issues in the 110th Congress*, coordinated by Carol D. Davis.

CRS Report RL33992, *Veterans Benefits: Merchant Seamen*, by Christine Scott and Douglas Reid Weimer.

CRS Report RS22902, *Veterans Benefits: An Overview*, by Carol D. Davis, Sidath Viranga Panangala, and Christine Scott.

CRS Report RL34626, *Veterans' Benefits: Benefits Available for Disabled Veterans*, by Christine Scott and Carol D. Davis.

CRS Report RS22804, *Veterans' Benefits: Pension Benefit Programs*, by Christine Scott and Carol D. Davis.

CRS Report RL34627, *Veterans' Benefits: The Vocational Rehabilitation and Employment Program*, by Christine Scott and Carol D. Davis.

CRS Report RL33993, *Veterans' Health Care Issues*, by Sidath Viranga Panangala.

CRS Report RL34598, *Veterans Medical Care: FY2009 Appropriations*, by Sidath Viranga Panangala.

Selected Websites

House Committee on Appropriations
<http://appropriations.house.gov/>

Senate Committee on Appropriations
<http://appropriations.senate.gov/>

House Committee on Armed Services
<http://www.house.gov/hasc/>

Senate Committee on Armed Services
<http://armed-services.senate.gov/>

House Committee on Veterans Affairs
<http://veterans.house.gov/>

Senate Committee on Veterans Affairs
<http://veterans.senate.gov/>

CRS Appropriations Products Guide
<http://www.crs.gov/products/appropriations/appover.shtml>

Congressional Budget Office
<http://www.cbo.gov/>

Defense Base Closure and Realignment Commission (BRAC Commission)
<http://www.brac.gov>

Government Accountability Office
<http://www.gao.gov/>

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